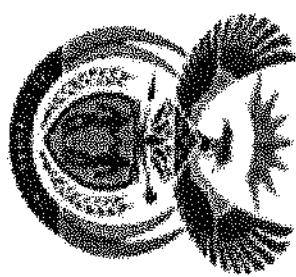


LIM 345 LOCAL MUNICIPALITY



SECTION 46 MSA
ANNUAL PERFORMANCE REPORT
2016/2017

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VISION

"A sustainable, spatially integrated and inclusive municipality with a vibrant, job creating local economy."

MISSION

To ensure the provision of sustainable basic services and infrastructure to improve the quality of life of our people and to grow the local economy for the benefit of all our citizens.

VALUES

Transparency
Accountability
Responsive
Professional
Creative

B. BACKGROUND

LIM 345 was established in terms of Section 12 of the Municipal Structures Act (No. 117 of 1998) (MSA), following the local government elections held on 3 August 2016. It is a category B municipality and a collective executive system, combined with a ward participatory system in terms of Section 9 of the MSA. Lim345 Local Municipality is a Category B, Executive Municipality, established in the year 2016 in terms of Local Government Municipal Structures Act No. 117 of 1998. In order to stress the inclusiveness of Lim345, the Municipality presides over two towns, 173 villages and areas between them, all with their own historical background, strength and weakness. As a Municipality, we unequivocally pledge an equal commitment to all areas that constitutes Lim 345 Municipal area. The Municipality consists of 36 wards (directly elected Councilors), 35 Proportional Representative Councilors and 33 Traditional Leaders.

C. LEGISLATIVE FRAMEWORK

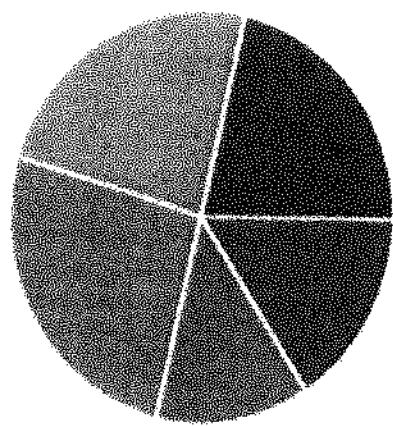
Section 46 (1) of Municipal Systems Act state that a municipality must prepare for each financial year an annual report consisting of (a) a performance report reflecting—

- i. the municipality's, and any service provider's, performance during that financial year, also in comparison with targets of and with performance in the previous financial year,
- ii. the development and service delivery priorities and the performance targets set by the municipality for the following financial year, and
- iii. measures that were or are to be taken to improve performance;

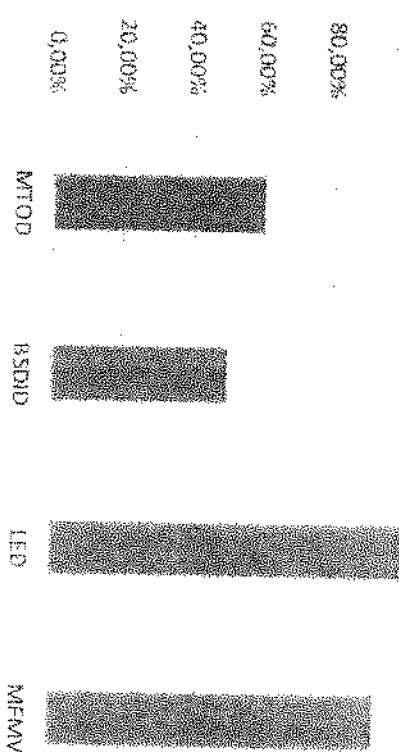
D. ANALYSIS

KEY PERFORMANCE AREA	ANNUAL TARGETS	# ACHIEVED	% ACHIEVED	# NOT ACHIEVED	% NOT ACHIEVED
MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT	15	9	60.00%	6	40.00%
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	28	14	50.00%	14	50.00%
LOCAL ECONOMIC DEVELOPMENT	1	1	100.00%	0	0.00%
MUNICIPAL FINANCIAL MANAGEMENT AND VIABILITY	13	11	84.62%	2	15.38%
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	6	5	83.33%	1	16.67%
	63	40	66.07%	23	33.93%

% ACHIEVED



% ACHIEVED



* MTOO * BSOD * LED * MF MV * GSPP

E-KPA 1 MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

Priority Area	KPI	Baseline	Annual targets	Responsible Manager	Budget	Evidence	Status	Progress	Challenges	Measures for Improvements
1.1. Organisational Design and Human Resources										
Organisational Design and Human Resources	% review of the organizational structure Review by June 2017	N/A	Organisational Structure developed by June 2017	Corporate Service	R 300 000.00	Council resolution	Target Achieved	Organisational structure was developed by June 2017	None	None
Organisational Design and Human Resources	% posts evaluated by June 2017	N/A	100% posts evaluated by June 2017	Corporate Service	Indicated in the Service Charter above	Council resolution	Target Not Achieved	11% (41/343) posts were evaluated by June 2017	None	None
Policies and By-laws	Number of HR policies rationalized	None	24 HR policies rationalized by 30 September 2016	Corporate Service	OPEX	Council resolution on rationalized	Target Achieved	24 HR policies were rationalized by 30 September 2016	None	None
Policies and By-laws	Number of critical by-laws rationalized	None	7 by-laws rationalised by 30 September 2016	Corporate Service	OPEX	Council resolution on rationalized	Target Achieved	7 by-laws were rationalised by 30 September 2016	None	None
1.2. Integrated Development Planning										
Integrated Development Planning	IDP/Budget Framework and Process Plan	None	Process plan for 17/18 Municipal Manager	CAPEX	IDP Process plan adopted by council	Target Achieved	Process plan for 17/18 IDPBUDGET developed	None	None	None
Integrated Development Planning	Draft IDP Complete and Morn submitted to Council by 31 March 2017	Draft 2017/18 IDPBUDGET in place	Municipal Manager	CAPEX	Council Resolution	Target Achieved	Draft 2017/18 IDPBUDGET was in place	None	None	None
Integrated Development Planning	Approved IDP	None	Final IDPBUDGET for Municipal Manager	CAPEX	Council Resolution	Target Achieved	Final IDPBUDGET for 2017/18 financial year was adopted	None	None	None
Integrated Development Planning	MSCOA	None	MSCOA Readiness	Municipal Manager	OPEX	MSCOA report	Target Achieved	MSCOA Readiness done (The municipality was on MSCOA by 30 June 2017)	None	None

1.3. Performance Management Systems

Performance Management Systems	Organisational Performance Management Framework approved by Council	None	Organizational Performance Management Framework developed by June 2017	Corporate Service	OPEX	Approved Organisational Performance Management Framework	Target Not Achieved	Organizational Performance Management Framework was developed by June 2017	None	None
Performance Management Systems	Number of Back to basics reports completed.	None	8	Municipal Manager	OPEX	Reports	Target Not Achieved	Num report was done	To task of Barroneto compile the report	To appoint 41 personnel by 31 December 2017
1.4 Skills Development										
Skills Development	Work Place Skills Plan Developed by June 2017	None	Work Skills Plan developed	Corporate Service	OPEX	Approved WSP	Target Achieved	Workplace Skills Plan was developed	None	None
Skills Development	% training sessions conducted for councillors	None	100% training sessions conducted by Service	Corporate	Training budget	Reports	Target Not Achieved	0% training sessions conducted by June 2017	Lack of personnel to coordinate the processes	To appoint 41 personnel by 31 December 2017
Skills Development	% training sessions conducted for officials	None	100% training sessions conducted by Service	Corporate	Training budget	Reports	Target Not Achieved	0% training sessions conducted by June 2017	Lack of personnel to coordinate the processes	To appoint 41 personnel by 31 December 2017
Fleet management services	Number of vehicles purchased for political offices	None	1 major vehicle purchased.	Corporate Service	R 1.2M	Invoices	Target Achieved	1 major vehicle was purchased.	None	None
Legal service , compliance and control environment	% litigations attended	None	100% litigations attended by June 2017	Corporate Service	OPEX	Reports	Target Achieved	There were no litigations against the Municipality	None	None

Priority Area

KPI

Baseline

Annual Targets

Responsible Manager

Budget

Evidence

Status

Progress

Challenges

Measures for Management

2.1 Implementation of MIG projects

F. KPA 2 BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT									
Roads and Stormwater	Level of project implementation	Name	Sibusi To Vryboom Road Road And Storm Water Completed by June 2017	Technical Service	0	Completion Certificate	Target Not Achieved	Sibusi To Vryboom Road Road And Storm Water was not Completed by June 2017	The budget for the project was taken to Malamulele B section road due refusal by the Vryheid Community
Roads and Stormwater	Level of project implementation	None	Saselamane stadium upgraded by June 2017	Technical Service	R268 400,000.00	Completion certificate	Target not Achieved	Saselamane stadium not fully upgraded (75%)	There was additional scope of work
Roads and Stormwater	Level of project implementation	None	Xikundu Ring Road completed by June 2017	Technical Service	R37 000 000.00	Completion certificate	Target Not Achieved	Xikundu Ring Road completed (15% - 4km intersection and turned). 3km earth work (done)	Delays by SANRAL on time until the 30 of October 2017
Roads and Stormwater	Level of project implementation	None	Malamulele B Extension Street upgrading started	Technical Services	R85,000,000.00	Appointment Letters, Competition Certificate.	Target Achieved	Commission Contractor to implement done	Grant extension of time until the 30 of October 2017
2.2 Roads									
Roads and Stormwater	Report to the Portfolio Committee on the progress of forward regarding projects for 2017/18	None	2	Technical Service	Operational	Technical report compiled	Target Achieved	2	None
Roads and Stormwater	Report to the Portfolio Committee on the maintenance and repairs conducted	None	3	Technical Service	Operational	Reports	Target Achieved	3	None

2.3. Waste Management

Waste Management	Procurement of equipment	None	Four(5) plant/equipment purchased by June 2017 (2 water tankers, 1 grader, 1 skip loader and 1 waste removal truck)	Community service	R4 500 000	Delivery notice	Target Not Achieved	5 plant/equipment were not purchased (2 water tanks, 1 grader, 1 skip loader and 1 waste removal truck)	Lack of personnel to coordinate the process	To purchase the equipment's by December 2017
Waste Management	Provide free basic refuse removal to villages with sustained refuse removal services by June 2017	None	Refuse removal collected in 42 villages by June 2017.	Community Service	OPEX	Quarterly reports	Target Achieved	Refuse removal was collected in more than 42 villages	Continuous breakdown of waste management vehicles	To purchase the equipment's by December 2017
Waste Management	Number of businesses and government departments with sustained refuse removal services by June 2017	More	20 business centres receiving waste removed per week by June 2017	Community Service	OPEX	Quarterly reports	Target Achieved	More than 20 business centres were receiving waste removal	Continuous breakdown of waste management vehicles	To purchase the equipment's by December 2017
Waste Management	Number of campaigns	None	20	Community Service	OPEX	Campaign pictures and attendance register	Target Not Achieved	The license for the landfill site was not secured.	Lack of personnel to coordinate the process	To conduct campaigns by December 2017
Waste Management	Licence landfill site	None	Licence landfill site	Community Service	R 10 000 000.00	Completion certificate	Target Achieved	The license for the landfill site was not secured.	Delays in the appointment of engineer and contractor	To appoint engineer and contractor by December 2017
Waste Management	Number of health and safety representatives by June 2017	None	20	Community Service	OPEX	Training report	Target Not Achieved	No training conducted	Lack of personnel to coordinate this process	To do the training by December 2017
Waste Management	Number of safety inspections conducted by June 2017	None	12	Community Service	OPEX	Inspection report	Target Not Achieved	No safety inspection conducted	Lack of personnel to coordinate the process	To do the training by December 2017
2.4. Park, Public Space and Cemeteries										
Park, Public open Space and Cemeteries	Percentage graves provided by June 2017	None	100% graves provided by June 2017	Community Service	OPEX	Quarterly reports	Target Achieved	100% graves provided	None	None

Traffic and Licensing	Permit/charge application for learner drivers issued by June 2017	None	100% learner driver's permit issued by June 2017	Community Service	OPEN	E-ratis report	Target Achieved	100% learner driver's permit issued	None	None
Traffic and Licensing	% drivers licences issued by June 2017 tested by June 2017	None	100% drivers licenses issued by June 2017	Community Service	OPEN	E-ratis report	Target Achieved	100% drivers licenses issued	None	None
Dignified Living	% motor vehicles maintained by June 2017	None	100% motor vehicles tested by June 2017	Community Service	OPEN	Quarterly report	Target Achieved	100% motor vehicles tested	Name	Name
Dignified Living	Number of sports facilities maintained by June 2017	None	5 sports facilities (Mudavula, Mewew, Matamulele, Boxing GYM and Tennis court) maintained by June 2017	Community Service	OPEN	Quarterly reports	Target Achieved	5 sports facilities (Mudavula, Mewew, Matamulele, Boxing GYM and Tennis court) maintained	None	None
2.5. Human Settlement and Spatial Planning										
Human Settlement and Property Management	Makhatla Planning Tribunal established by 30 June 2017.	None	Establishment and Operation of Municipal Planning Tribunal by the 30 June 2017	Planning and Development	OPEN	Appointment letters	Target Not Achieved	The Municipality requested to be part of Makhatla Tribunal in May 2017.	Makhatla Municipality did not respond to the letter by June 2017	The Municipality rescinded the Makhatla resolution and request to join the Vhembe District Municipality Tribunal
Human Settlement and Property Management	Spatial Development Planning Framework	None	Approved SDF by 30 June 2017	Planning and Development	OPEN	Council Resolution that SDF is approved	Target Not Achieved	A service provider is appointed to do SDF	Delays in securing a service provider through regulations 32	A section 32 SCM Regulations was secured with Lephetsa Municipality
Human Settlement and Property Management	Land Use Management Scheme	None	Approved Land Use Management Scheme by the 30 June 2017	Planning and Development	OPEN	Council Resolution	Target Not Achieved	A service provider is appointed to do and Land Use Scheme	Delays in securing a service provider through regulations 32	A section 32 SCM Regulations was secured with Mafume Municipality
Human Settlement and Property Management	Report quarterly to the Portfolio on the processes of land use applications in terms of the relevant legislations (SPLIMA)	None	2 planning and Development	OPEN	Report Approvals General Plan	Target Not Achieved	No report was written to the portfolio committee	There were no complete application to be approved by the authorised official due to lack of knowledge by the applicants	To conduct awareness campaign on the processes of obtaining approval for a development application	

Human Settlement and Property Management	Approved Business Park Matamata East (56 Ers)	Draft GP Approved Layout Plan	Proclaimed Township Development	Planning and OPEX	Opening of Township register	Target not achieved	Engagement meetings were held with the Consultant appointed by Thulamela for status quo report	Delays in starting with the reappointment of consultants that was appointed by Thulamela to finalise the approval of the General Plan	To appoint the consultants that was appointed by Thulamela to finalise the approval of the General Plan
Human Settlement and Property Management	Municipal Valuation Roll	None	Approved Valuation Roll	Planning and Development	OPEX	Council Resolution	Target achieved	Valuation Roll was approved	None
Human Settlement and Property Management	Matamata extention B (Not proclaimed)	Draft GP Approved Layout	Proclaimed Township Development	OPEX	Notice Approved General Plan	Target not achieved	Engagement meetings were held with the Consultant appointed by Thulamela for status quo report	Delays in starting with the reappointment of consultants that was appointed by Thulamela to finalise the approval of the General Plan	To appoint the consultants that was appointed by Thulamela to finalise the approval of the General Plan
Human Settlement and Property Management	Percentage of building plans received and processed by June 2017	None	Percentage of building plans approved by June 2017.	Planning and Development	OPEX	Opening of Township register	Target achieved	10/10 building plans were approved	None
Human Settlement and Property Management	Number of illegal activities and land invasion cases attended	None	Community Service	OPEX	Quarterly reports	Target achieved	The where no cases of land invasion	None	None

G. KPA 3 LOCAL ECONOMIC DEVELOPMENT

Priority Area	KPI	Baseline	Annual Targets	Responsible Manager	Budget	Evidence	Status	Progress	Challenges	Measures for Improvements
Local Economic Development	Providing training and workshops for entrepreneurs/ SMME and Cooperatives	None	5	Planning and Development	OPEX	Target achieved	5 trainings were conducted (Durban, KwaZulu, Tourism Capacity building in Musina, YEP, NYDA, Faranani	None	None	None

H. KPA 4 MUNICIPAL FINANCIAL MANAGEMENT AND VIABILITY

Priority Area	KPI	Baseline	Annual Targets	Responsible	Budget	Evidence	Status	Progress	Challenges	Measures for Improvement
Budget and Reporting	Number of monthly budget statements prepared and submitted as required by WFM	NONE	12 monthly budgets prepared by June	Chief Financial Officer	OPEX	Section 71 reports	Target achieved	11 monthly budgets reports were prepared	Not all reports were submitted within legislative timelines	To appoint personnel by December 2017
Budget and Reporting	Number of financial management policies reviewed and adopted by council	NONE	9 financial management related policies reviewed and adopted by council by June 2017	Chief Financial Officer	OPEX	Council Resolution	Target achieved	9 financial management related policies were reviewed and adopted	None	None
Budget and Reporting	Number of mid year budget assessment approved by council	None	1 mid-year budget assessment approved by council by January 2017	Chief Financial Officer	OPEX	Council resolution	Target achieved	1 mid-year budget assessment was approved	None	None
Budget and Reporting	Number of annual budget approved by council	None	1 annual budget approved by council by June 2017	Chief Financial Officer	OPEX	Council resolution	Target achieved	1 annual budget was approved by council	None	None
Expenditure Management	Percentage of payment made to creditors within 30 days receipt of invoice	None	100% payment made to creditors within 30 days of receipt of the correct invoice	Chief Financial Officer	OPEX	Creditors Aging Analysis	Target Not achieved	95% payment made to creditors within 30 days of receipt of the correct invoice	Lack of personnel to capture the claims within timeframe	To appoint personnel by December 2017
Revenue Management	Number of tariff structures developed	1	1 tariff structure developed and adopted by May 2017	Chief Financial Officer	OPEX	Reviewed tariff structure	Target Achieved	1 tariff structure developed and adopted by May 2017	None	None
Asset Management	# Escalations to conduct municipal assets verification	0	Asset verification report submitted to council by 30 June 2017	Chief Financial Officer	OPEX	Asset verification report	Target Achieved	Asset verification report submitted to council by 30 June 2017	None	None
Supply Chain Management	Capacity SCM unit	0	SCM training facilitated	Chief Financial Officer	OPEX	Training Reports/Attendance	Target Achieved	SCM training was facilitated	None	None

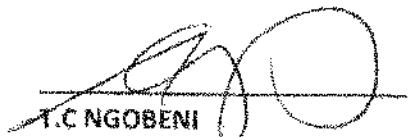
Supply Chain Management	% Timely appointment of service providers with 90 days in accordance with SCM prescriptive	0	100% compliance to SCM prescriptive	Chief Financial Officer	OPEX	Target awarded	Target Met	Not all SCM prescripts were completed with knowledge to assist in applying SCM compliance issues	To train the existing staff and appoint experienced and qualified personnel
Revenue Management	Consolidated billed revenue and doctor's information from Thialameta and Makhaeo	New	1 consolidated revenue report	Chief Financial Officer	OPEX	Revenue Report	Target Achieved	1 consolidated revenue report done	None
mSCOA	Improved Municipal compliance to mSCOA	New	mSCOA readiness to go live by 30 June 2017		OPEX	mSCOA reports	Target Achieved	mSCOA readiness to go live by 30 June 2017	None
Expenditure Management	% of municipality capital budget actually spent on capital projects by 30 June 2017	0	100%	Chief Financial Officer	CAPEX	Section 71 reports/MG reports	Target Achieved	65% (78 444 631.19) of 970 000 capital budget was spent on certain capital projects	To ensure forward planning in the financial year 2017/2018.
Budget and Reporting	Number of Budget adjustment submitted	0	1 Adjustment budget report	Chief Financial Officer	OPEX	Council resolution	Target Achieved	2 Adjustment budget report done	None

I. KPI'S GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Priority Area	KPI	Baseline	Annual Targets	Responsible Manager	Budget	Evidence	Status	Progress	Challenges	Measures for Improvements
5.1. Council and Executive Committee										
Council Services	Effective functioning of Council	Name	Scheduled Council meetings held	Corporate Service	OPEX	Minutes, Attendance Registers	Target achieved	Scheduled Council meetings were held (8 meetings)	None	None
Council Services	Effective functioning of the Executive Committee	Name	Scheduled Executive Committee meetings held	Corporate Service	OPEX	Minutes, Attendance Registers	Target achieved	Scheduled Executive Committee meetings were held (8 meetings)	None	None
5.2. Public Participation and Ward Committees										
Public Participation	DGP Rep Forum	None	DGP Rep Forum Meetings held	Municipal Manager	OPEX	Attendance Register	Target achieved	Number of DGP Rep Forum Meetings held (2 meetings)	None	None
Public Participation	Effective function of Ward level committee	None	Ward Committee reports submitted	Municipal Manager		Ward Committee Report	Target achieved	Number of Ward Committee reports (2/2 meetings)	None	None
Public Participation	Mayoral Imbizo	None	Mayor Imbizo held	Municipal Manager	OPEX	Attendance Registers, Imbizo achieved reports	Target achieved	2 Mayoral Imbzios (one)	None	None
Auditing	Effective function of Audit Committee	Name	Audit Committee Meetings Held	Municipal Manager	OPEX	Attendance Register and AC reports	Target not achieved	No Audit Committee held	None	None

K. CONCLUSION

In Conclusion LIM345 Municipality overall performance for the financial year 2016/2017 was at 77%. The Municipality has put in place measures for improvement to ensure that unachieved targets are mitigated before the end of the financial year 2017/2018.



T.C NGOBENI
MUNICIPAL MANAGER